

2011 DRAFTING REQUEST**Bill**Received: **01/14/2011**Received By: **jkreye**Wanted: **As time permits**

Companion to LRB:

For: **Administration-Budget**By/Representing: **Quinn**

May Contact:

Drafter: **jkreye**Subject: **Tax, Business - crp inc, fran**

Addl. Drafters:

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

DOA:.....Quinn, BB0181 -

Topic:

Repeal DOR's ability to reverse combined reporting elections

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?				_____			State
/P1	jkreye 01/14/2011	nnatzke 01/14/2011	jfrantze 01/17/2011	_____	sbasford 01/17/2011		State
/P2	jkreye 01/20/2011	nnatzke 01/20/2011	mduchek 01/21/2011	_____	lparisi 01/21/2011		

FE Sent For:

<END>

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FE Sent For:

/p2 nwn
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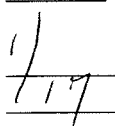
Topic:

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/?	jkreye	/p1 nwn 1/14					

FE Sent For:

<END>

Kreye, Joseph

1051

From: Hanaman, Cathlene
Sent: Thursday, January 13, 2011 4:36 PM
To: Kreye, Joseph
Subject: FW: Statutory Language Drafting Request
Did I just send this?

From: DOADLBASADMININTERNETSHAREPOINT@WI.GOV
[mailto:DOADLBASADMININTERNETSHAREPOINT@WI.GOV]
Sent: Thursday, January 13, 2011 4:21 PM
To: Hanaman, Cathlene
Cc: Hetzel, Shayna - DOA; Thornton, Scott - DOA; Grinde, Kirsten - DOA; Quinn, Brian D - DOA
Subject: Statutory Language Drafting Request

Topic: Repeal ability of DOR to reverse combined group elections

Tracking Code: BB0181

SBO Team: TTO

SBO Analyst: Quinn, Brian D - DOA
Phone: (608) 266-1923
E-mail: brian.quinn@wisconsin.gov

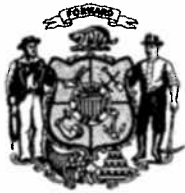
Agency Acronym: DOR

Agency Number: 566

Priority: Low

Intent:
Repeal 71.255(2m)(d).

Attachments: False



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-1051/P1

JK:j:....

nwn

DOA:.....Quinn, BB0181 - Repeal DOR's ability to reverse combined reporting elections

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

in 1-14-11

1 AN ACT ^{don't gen.}...; relating to: the budget. ✓

Analysis by the Legislative Reference Bureau

TAXATION ✓

INCOME TAXATION ✓

a Under current law, taxpayers may elect to include in its combined group, for income and franchise tax reporting purposes, every corporation in its commonly controlled group, regardless of whether such corporations are engaged in the same unitary business of the taxpayer. ✓ If DOR determines that the election has the effect of tax avoidance, ✓ DOR must disregard the election's tax effect or disallow the election. ✓ Under this bill, DOR may not disallow such an election, or disregard its effect, regardless of whether DOR determines that the election has the effect of tax avoidance. ✓

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 SECTION 1. 71.255 (2m) (d) of the statutes is amended to read: ✓

71.255 (2m) (d) The department shall may not disregard the tax effect of an election under this subsection, or disallow the election, with respect to any controlled group member or members for any year of the election period, ~~if the department determines that the election has the effect of tax avoidance.~~✓

History: 2009 a. 2, 28, 276.

SECTION 9341. Initial applicability; Revenue.

(1) COMBINED REPORTING ELECTION. The treatment of section 71.255 (2m) (d) of the statutes first applies to taxable years beginning on January 1, 2011.

(END)

Kreye, Joseph

From: Quinn, Brian D - DOA [Brian.Quinn@wisconsin.gov]

Sent: Wednesday, January 19, 2011 2:18 PM

To: Kreye, Joseph

Subject: Re: Disregarding combined group elections

Joe,

On 1051/P1, can you add that DOR may not disregard any elections made in tax years 2009 or 2010 as well?

Thanks.

Brian Quinn
Executive Policy & Budget Analyst
Department of Administration
Division of Executive Budget and Finance
(608)-266-1923
brian.quinn@wisconsin.gov

1/19/2011



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-1051/P1
JK:nwn:jf

RMR

DOA:.....Quinn, BB0181 - Repeal DOR's ability to reverse combined reporting elections

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

in 1-22-11

1 ^{don't gen.} AN ACT ...; relating to: the budget. ✓

Analysis by the Legislative Reference Bureau

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2 **SECTION 1.** 71.255 (2m) (d) of the statutes is amended to read:



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-1051/P2
JK:nwn:md

DOA:.....Quinn, BB0181 - Repeal DOR's ability to reverse combined reporting elections

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** the budget.

Analysis by the Legislative Reference Bureau

TAXATION

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For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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71.255 (2m) (d) The department shall may not disregard the tax effect of an election under this subsection, or disallow the election, with respect to any controlled group member or members for any year of the election period, ~~if the department determines that the election has the effect of tax avoidance.~~

SECTION 9341. Initial applicability; Revenue.

(1) COMBINED REPORTING ELECTION. The treatment of section 71.255 (2m) (d) of the statutes first applies retroactively to taxable years beginning on January 1, 2009.

SECTION 9441. Effective dates; Revenue.

(1) COMBINED REPORTING ELECTION. The treatment of section 71.255 (2m) (d) of the statutes takes effect retroactively on January 1, 2009.

(END)